

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
FEBRUARY 16, 2023

A regularly scheduled meeting of the Grand Haven Board of Light and Power was held on Thursday, February 16, 2023, at 6:00 p.m. at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Meeting.

The meeting was called to order at 6:00 p.m. by Chairperson Westbrook.

Present were Directors Crum, Hendrick, Knoth, Witherell and Westbrook.

Also present were David Walters, General Manager; Renee Molyneux, Administrative Services Manager and Secretary to the Board; Rob Shelley, Distribution & Engineering Manager, and Erik Booth, Operations & Power Supply Manager.

23-03A Director Hendrick, supported by Director Knoth, asked to remove item 7.E., Discussion of American Rescue Plan, from the February meeting and add it for discussion at the March 16, 2023 meeting and approve the amended agenda.

In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; those absent: none; those opposed: none. Motion passed.

Public Comment Period – No comments were provided. No formal action taken.

23-03B Director Witherell, supported by Director Knoth, moved to approve the consent agenda items. The consent agenda includes:

- Approve the Minutes of the January 26, 2023 Regular Board Meeting
- Accept and file the January 2023 Financial Statements and Power Supply & Retail Sales Dashboard
- Accept and file the January KPI Dashboard
- Accept and file the MPPA Energy Services Project Resource Position Report dated January 31, 2023
- Accept and file the Constellation Energy Market Graphs from February 6, 2023
- Approve paying bills in the amount of \$5,730,363.52 from the Operation and Maintenance Fund
- Approve paying bills in the amount of \$298,688.04 from the Renewal and Replacement Fund
- Confirm Purchase Order #21449-3 to USWAG in the amount of \$5,320 for the BLP's annual membership renewal
- Confirm Purchase Order #22518 to DataVoice in the amount of \$17,388 for CY2023 Outage Management System software subscription
- Confirm Purchase Order #22523 to Progressive AE in the amount of \$20,000 for preliminary evaluation of the old fire station

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- Confirm Purchase Order #22528 to Futura in the amount of \$24,564 for CY2023 mapping and staking software subscription
- Confirm Purchase Order #22529 to ESRI in the amount of \$6,615 for CY2023 GIS software subscription

Utility Solid Waste Activities Group (USWAG) is responsible for addressing solid and hazardous waste issues on behalf of the utility industry.

USWAG was formed in 1978 and is a trade association of over 130 utility operating companies, energy companies and industry associations, including the Edison Electric Institute (EEI), the National Rural Electric Cooperative Association (NRECA), the American Public Power Association (APPA), and the American Gas Association (AGA).

USWAG's core mission is to support the industry's efforts to comply with federal environmental regulations, protect the environment and serve its customers. As part of that effort, USWAG engages in regulatory advocacy, regulatory analysis and compliance assistance.

Director Hendrick feels Progressive AE is not competitively priced for this work and she would like the next phase of design work, if there is a project, to be competitively bid.

The General Manager pointed out such professional services are not normally bid out, and he does not agree that Progressive AE rates are out of line.

Chairperson Westbrook stated the Board agreed on a not to exceed amount of \$25,000 at the January meeting. This Purchase Order is for \$20,000 and will be invoiced on a time and materials basis.

The General Manager also reminded the Board we requested proposals for the power plant project and Progressive AE was the firm that was awarded that project using a qualification-based selection process. Progressive AE has expressed concerns about working for the BLP because of all the negative statements made by the Board during that time.

Director Hendrick said she walked through the building and does not believe an elevator is needed. She expressed concerns about overspending on this project and wants to ensure the Board is fiscally responsible.

Director Knoth stated he is fine with the Progressive AE proposal and agreed the Board needs to be fiscally responsible going forward.

In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; those absent: none; those opposed: none. Motion passed.

23-03C Director Hendrick, supported by Director Knoth, moved to approve the following Purchase Order:

- Purchase Order #22526 to Brown Wood Preserving Company, Inc. in the amount of \$21,852 for 25 wood distribution power poles

In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; those absent: none; those opposed: none. Motion passed.

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23-03D Director Witherell, supported by Director Knoth, moved to approve the proposed Purchasing Policy as revised, consistent with Charter Section 14.4.

Director Knoth pointed out a spelling error on page 3 of the policy, 'latter' should be 'later.'

Director Hendrick apologized for not getting with staff on questions and holding up the approval process. She thanked Lynn Diffell for her work on the proposed policy.

Following approval, the next step is to bring the dollar limits to Council for their review and approval.

In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; those absent: none; those opposed: none. Motion passed.

23-03E Director Hendrick, supported by Director Witherell, moved to authorize the General Manager to execute a 10-Year Power Purchase Commitment (PPC) with Michigan Public Power Agency (MPPA) for the BLP's pro-rata share of MPPA's Battery Energy Storage Systems Capacity Purchase and Sale Agreement with White Ox LLC.

Erik Booth, Operations & Power Supply Manager, stated one of the BLP's Strategic Plan goals is to, "evaluate potential projects, emerging technologies and longer-term purchased power alternatives that will provide a sustainable, economical, and diversified power supply portfolio."

Booth reported, through MPPA, the BLP has significantly increased its renewable energy portfolio from about 9% in 2016 to approximately 22% today.

MPPA has been evaluating various developers to provide a battery energy storage system (BESS) project for their municipal members as one of the solutions to effectively integrate higher shares of solar and wind renewables.

This is a 25-MW project, developed by White Ox LLC, and will be located in Washtenaw County, Michigan.

This PPC will provide 1.5 MW of capacity for years 1-3, and 3.0 MW for years 4-10 from this battery storage project and these Zonal Resource Credits (ZRCs) in Zone 7 are competitively priced with other alternatives.

Chairperson Westbrook stated he is happy to hear MPPA is exploring emerging technologies on our behalf.

Upon Board authorization, this PPC will be brought to City Council for their consent and confirmation because it is a 10-Year commitment under our existing Energy Services Agreement with MPPA.

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In a roll call vote of the Board, those in favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; those absent: none; those opposed: none. Motion passed.

23-03F Erik Booth advised that the Michigan Public Power Agency Board voted to approve a new set of standards on its stability hedge plan. This change does not affect the BLP's strategy, however, it does impact the volume of energy PPCs purchased this year.

No formal action taken.

23-03G Chairperson Westbrook stated we had 100% participation in today's Implicit Bias training, which was provided by Dr. Van McMullan, Director, Office of Diversity, Equity, and Inclusion at Muskegon Community College.

The Board is scheduled for Open Meetings Act (OMA)/Parliamentary Procedures training from 3-6 PM on Thursday, March 16, which will be held in the Board room.

Director Hendrick advised she double booked and is now unable to attend the OMA/Parliamentary Procedures training in March.

Chairperson Westbrook updated the Board on mediation discussions held with the Mayor and City Manager and how that may work. They are adding it to their March 6 Agenda for discussion with the full council.

No formal action taken.

23-03H Chairperson Westbrook informed the Board the Power Supply budget will be reviewed at the March 16 meeting as it was last year. Staff will also be working with the Chair to present a proposed budget for Board activities during the fiscal year at this meeting. Chairperson Westbrook asked the Board to email any budget items to him in the next two weeks. This budget includes Board travel and training.

The General Manager informed the Board a budget was established for Board attendance at this year's APPA National Conference consistent with past years. Chairperson Westbrook asked Board members to please let him know if you would like to attend. The Board as a whole will decide who, if any, will attend this year's conference.

Director Hendrick asked to be reimbursed for her attendance at upcoming Chamber forum events and shared the forum information with the rest of the Board. The General Manager advised that the BLP is one of the sponsors for the forums and the Chair, himself, and Erik Booth are already scheduled to attend to represent the BLP through this sponsorship.

No formal action taken.

23-03I Rob Shelley, Distribution & Engineering Manager, updated the Board on the process used to establish preferred contractors. We solicit proposals from several vendors,

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evaluate the proposals, then select the contractor based on competitive bids and unit pricing to use as the BLP's preferred vendor for the next year. Western Telcom, who does directional boring, is one example of a preferred contractor we selected through this process recently. When we use them, a confirming purchase order will be brought to the Board as necessary under our purchasing policy.

No formal action taken.

23-03J The General Manager provided the following updates:


- The BLP is sponsoring February's Early Bird Breakfast. Erik Booth will be presenting on the BLP's sustainability efforts.
- The BLP Customer Technology Workshop will be held on Tuesday, February 21, 2023 at 6:30 PM. Rob Shelley will be providing the training.
- A Cash Reserves Policy will be considered as part of the FY2024 Budget process. The plan is to set a minimum cash reserve amount as determined under a formula contained in the policy as part of each year's budget process.

No formal action taken.

Public Comment Period – No comments were provided. No formal action taken.

At 7:00 PM by motion of Director Witherell, supported by Director Hendrick, the February 16, 2023 Board meeting was adjourned.

Respectfully submitted,



Renee Molyneux
Secretary to the Board

RM

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A training workshop for all employees and Board members of the Grand Haven Board of Light and Power was held on Thursday, February 16, 2023 at 3:30 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The Implicit Bias Training Workshop began at 3:30 PM.

Present were Directors Hendrick, Witherell and Westbrook. Director's Crum and Knoth attended an earlier session of the same training where quorum was not present.

Also present were Renee Molyneux, Administrative Services Manager and Secretary to the Board, and Dr. Van McMullan, Director, Diversity, Diversity, Equity, and Inclusion, Muskegon Community College.

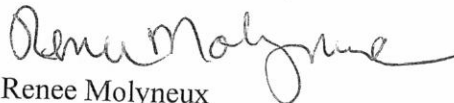
23-02A Dr. Van McMullan provided Implicit Bias training for the Board and BLP employees.

Public Comment Period – No comments were provided.

No formal action was taken during this training workshop.

At 4:30 PM, the February 16, 2023 workshop was adjourned.

Respectfully submitted,



Renee Molyneux
Secretary to the Board

RM